FINANCIAL NEWS

Holiday Inns weathers stormy third quarter

MEMPHIS—Holiday Inns Inc., trying to find a silver lining in a dark financial cloud, has pointed to improved customer counts at Perkins restaurants and the "stellar performance" of Harrah's Marina hotel-casino in Atlantic City, N.J., during an otherwise bleak third quarter.

In the quarter ended Oct. 1, profits dropped 82.5% to $10.1 million on a 1.1% revenue rise to $394.2 million compared to the same period a year earlier. For the first nine months of 1982, profits were off 47.6% to $65.1 million on a 6.2% revenue rise to about $1 billion.

Income from continuing operations was $38.7 million in the third quarter, down from $50.4 million a year earlier, and $87.3 million for the nine months, down from $93.5 million in 1981.

Discontinued operations showed a $28.6 million net loss in the third quarter, which included a provision for the estimated loss on the sale of Delta Steamships, a Holiday Inn subsidiary.

Michael D. Rose, president and chief executive, blamed the company's poor performance on "the ongoing economic slump" but noted positive signs in the third quarter, including increasing leisure travel hotel occupancy, improvement in customer counts at Perkins family restaurants and high sales and profits at Holiday Inn's Harrah's Marina.

Holiday Inns owns, manages and franchises about 1,800 hotels worldwide; the Perkins' family restaurant chain and Harrah's hotel-casinos in New Jersey and Nevada.

Hotel group operating income was off in the third quarter, Rose said, because there were no property dispositions as there were in 1981's third quarter. Also, there were fewer roomnights available due to property dispositions in 1981 and price increases were held down despite higher operating costs.

Earnings at Perkins declined in the third quarter because of a $1.9 million provision for loss on the sale of nine restaurants that did not meet return-on-investment standards, Rose said. Excluding that provision, Perkins registered a slight earnings improvement.

S. E. Rykoff to acquire International Foodservice

LOS ANGELES—S. E. Rykoff & Co. has signed an agreement to purchase the business and certain assets of the Fresno, Calif., operation of International Foodservice, a division of Acton Foodservices Corp.

Roger W. Coleman, Rykoff president and ceo, said the transaction is expected to become effective sometime this month. Terms were not disclosed. Coleman indicated the acquired operation has annual sales in excess of $9 million.

S. E. Rykoff & Co., based here, had earnings of $1 million on sales of $82.9 million for the first quarter of the current fiscal year ended July 31. Last year the company's earnings were up 11% to $6.4 million on sales of $333 million. Established in 1911, Rykoff serves restaurants and institutions with a full range of food-service products.

Food-service chain stock analysis table

Name	Symbol	STOCK PRICE: Two Weeks Ended Nov. 18 High	Low	Close	Change Amt.	Change Pct.	52-Week High	52-Week Low	TREND TO MARKET: Price Trend (% per day) Last 30 Days	Price Trend Last 5 Days	Volume Trend (% per day) Last 30 Days	Volume Trend Last 5 Days	EARNINGS/SHARE: Last Fiscal Year	Latest 12 Months vs Preceding 12 Months Change Amt.	Change Pct.	5-Year Annual Growth Rate	Profit Margin	P/E: Latest P/E Ratio	DIVIDENDS: Indicated Dvd. Rate Amt.	Yield	Last X-Dvd. Date	FINANCIAL POSITION: Last Fiscal Year Revenue	Earnings	Current Ratio	Last Fiscal Year (Per Share) Long Term Debt	Common Stock Equity	Last Balance Sheet Date
—	—	$	$	$	$	%	$	$	%	%	%	%	$	$	%	%	%	—	$	%	—	$ Mil.	$ Mil.	—	$	$	—
Aca Los A Res	ALAR	7.88	6.88	7.75	.88	12.73	7.88	3.50	1.13	.09	5.93	-38.02	.47	-.43 N	-95.5	-25.0	4.3	387.5	.00	.0	01-06-81	27.7	1.2	2.4	5.69	2.90	1081
Am Motor Inns	INN	27.38	24.88	25.88	-.38	-1.43	27.38	12.00	.53	.53	1.40	10.31	2.17	.44 F	25.4	35.0	7.0	11.9	.22	.9	08-10-82	142.3	8.9	1.5	15.62	10.87	0781
ARA Services	ARA	34.13	32.50	33.00	-1.00	-2.94	36.00	23.50	-.37	.48	1.67	-43.48	4.00	-1.28 N	-27.0	-2.0	1.5	9.5	2.00	6.1	08-26-82	2915.9	45.1	1.2	21.04	44.21	0981
Assoc Hosts	AHST	7.00	6.13	7.00	.63	9.80	7.00	4.88	.62	1.18	2.84	27.66	.66	-.01 N	-1.5	-10.0	2.6	11.1	.12	1.7	09-07-82	79.9	2.1	1.5	6.40	7.04	0981
Beefsteak Char	BSCC	7.00	5.75	6.88	1.50	27.91	7.00	2.88	.78	1.75	8.32	-21.58	.62	.16 N	25.3	33.0	2.4	8.7	.00	.0	00-00-00	86.2	2.1	1.2	1.49	3.09	1081
Bob Evans Farms	BOBE	29.50	28.75	29.50	.75	2.61	29.50	18.63	.35	1.06	-.17	2.47	1.45	.20 Q	16.0	24.0	7.9	20.3	.40	1.4	11-05-82	173.4	13.7	1.7	.00	6.90	0482
Bonanza Intl Inc	BNZA	2.75	2.25	2.75	.38	15.79	2.75	1.06	.99	3.49	9.18	-12.69	-3.33	-.69 N	NE	-62.0	-61.8	NE	.00	.0	00-00-00	24.1	-14.9	1.2	11.24	1.50	1281
Brock Hotel Cp	BHC	12.75	10.38	11.00	.50	4.76	17.50	8.00	-.41	-1.46	-2.60	-21.27	.59	.30 N	73.1	23.0	4.3	15.5	.10	.9	09-27-82	165.1	7.1	1.2	11.01	3.90	1281
Calny Food	CLNY	10.50	10.00	10.50	.25	2.44	11.75	7.16	-.53	1.91	-2.24	57.41	1.11	.13 S	13.4	6.0	3.3	9.5	.12	1.1	11-24-82	37.0	1.2	.6	1.51	2.27	0282
Carrols Develop	CRL	10.25	8.75	9.50	-.50	-5.00	10.63	4.13	.98	-.18	1.56	2.54	.66	.52 Q	126.8	21.0	1.9	10.2	.09	.9	12-24-81	68.6	1.3	.6	9.82	5.99	0582
Chart House	CHHO	28.13	25.88	26.75	-.88	-3.17	28.13	15.88	.41	.74	.79	-17.91	2.03	.16 N	8.2	13.0	5.0	12.7	.60	2.2	09-24-82	353.9	17.7	.9	14.53	10.14	1281
Chi-Chis	CHIC	27.00	25.38	26.88	1.25	4.88	27.00	11.09	.38	.85	-.74	6.55	.55	.22 Q	55.0	26.0	11.1	43.3	.00	.0	06-28-82	14.9	2.1	3.1	1.10	1.23	0481
Ch Full O Nut	CHF	15.00	12.63	13.75	-.50	-3.51	18.25	9.25	-.91	-.02	-.78	53.49	.34	-.32 F	-48.4	15.0	1.4	40.4	.40	2.9	07-01-82	118.7	3.2	3.4	.80	5.42	0781
Churchs Fr Ch	CHU	39.88	38.00	39.75	.50	1.27	40.38	25.00	.07	1.62	-3.71	44.88	3.52	-.06 N	-1.7	16.0	10.8	11.6	1.00	2.5	10-25-82	412.1	44.6	1.9	1.02	15.25	1281
Cindys Inc	CNDYC	3.63	3.50	3.50	.00	.00	3.88	2.63	-.60	1.25	-.12	12.54	-.06	1.37 F	NE	NE	-.6	NE	.00	.0	00-00-00	17.0	-.1	.0	7.17	.29	1281
Collins Foods	CF	20.88	17.25	19.63	.00	.00	20.88	8.53	.11	.37	.38	33.37	1.69	.57 Q	43.8	15.0	3.2	10.5	.24	1.2	09-24-82	298.0	9.6	1.3	7.44	10.69	0482
Consul Corp	CNSL	9.63	8.88	9.25	.25	2.78	9.63	5.25	.08	-.04	.40	4.36	.00	-.08 Q	-88.8	NE	.0	925.0	.00	.0	00-00-00	17.6	.0	.7	2.21	2.88	0582
Cracker Barrel	CBRL	17.25	16.25	16.50	.25	1.54	17.25	7.25	.60	.20	1.29	-34.66	1.03	.03 F	3.0	19.0	3.7	16.0	.00	.0	00-00-00	35.4	1.3	1.9	5.35	6.69	0782
Dennys Inc	DEN	35.50	31.00	32.75	-2.38	-6.76	35.50	18.34	.29	-.37	-3.03	-9.33	2.47	.40 Q	18.6	9.0	3.9	12.8	.64	2.0	12-07-82	955.7	36.8	1.4	15.81	15.02	0682
Dunkin Donuts	DUNK	28.25	26.25	26.50	-.50	-1.85	28.25	11.13	.42	-.75	-.12	14.95	1.82	.25 N	14.0	19.0	8.3	13.1	.36	1.4	08-09-82	68.7	5.7	1.3	11.44	10.61	1081
Frischs	FRS	13.50	12.00	12.88	.38	3.00	13.50	7.38	.73	-.03	-2.88	-6.79	1.87	.11 Q	6.5	16.0	3.8	7.2	.40	3.1	11-29-82	101.0	3.8	1.5	6.48	14.12	0582
Hambrg Hamlet	HAMB	5.75	5.75	5.75	.00	.00	8.25	5.00	-.37	.77	.13	10.53	1.35	.60 Q	111.1	-9.0	3.2	5.0	.00	.0	00-00-00	31.6	1.0	.7	20.45	13.07	0382
Hardwicke	HAWK	1.50	1.25	1.25	-.38	-23.08	4.38	1.25	-1.23	-2.72	-4.60	-16.00	-2.22	-5.08 N	-336.8	-63.0	-11.4	NE	.00	.0	00-00-00	30.6	-3.5	1.4	18.38	8.12	0981
Hilton Hotels	HLT	48.75	44.50	44.75	-2.38	-5.04	49.00	27.63	.52	-.95	-2.55	28.10	4.22	-.65 N	-15.7	20.0	20.9	12.9	1.80	4.0	08-30-82	539.3	112.6	2.0	4.48	19.98	1281
Holiday Inns	HIA	38.75	33.75	35.75	-1.38	-3.70	38.75	23.75	-.24	.39	-2.59	1.00	3.66	.57 N	20.1	22.0	7.8	10.5	.80	2.2	09-13-82	1765.1	137.4	.8	20.99	25.33	1281
Holiday Inns A	HIA A	55.00	51.25	51.25	-4.25	-7.66	55.50	36.00	-.27	-1.28	-9.10	50.00	NA	NA	NA	NA	NA	NA	.00	.0	00-00-00	NA	NA	NA	NA	NA	NA
Horn & Hardart	HOR	25.00	21.00	22.75	.75	3.41	25.00	9.22	.49	.21	1.66	-17.70	.95	.05 N	5.5	30.0	2.7	23.9	.00	.0	09-27-82	166.1	4.5	1.7	11.45	6.30	1281
Hungry Tiger	HTIG	7.75	6.66	7.75	1.25	19.23	7.75	4.00	.08	3.95	6.42	-23.91	.78	.11 F	16.4	43.0	3.8	9.9	.00	.0	08-24-81	49.9	1.6	.8	3.89	2.73	0881
Imperial Grp	IMT	2.00	1.88	1.88	-.06	-3.23	2.00	1.19	-.03	.00	.07	-20.69	.24	.00 F	.0	2.0	2.0	7.8	.14	7.5	09-28-82	8462.9	171.0	1.1	.65	2.08	1081
Intl Dairy Queen	INDQ	22.75	21.00	22.75	2.50	12.35	22.75	9.25	.61	1.69	.11	-22.36	1.72	.44 N	27.1	36.0	6.1	11.0	.00	.0	00-00-00	91.3	5.6	1.1	9.68	5.82	1181
Int King Tab	IKNG	7.63	6.50	7.25	.75	11.54	7.63	1.75	1.24	-.23	5.37	6.90	.33	1.22 Q	NE	-21.0	1.4	15.1	.00	.0	10-09-79	36.6	.5	.3	4.09	3.77	0682
JBs Rest	JBBB	9.88	9.38	9.63	.25	2.67	9.88	3.50	.64	-.25	1.43	-9.36	.63	.29 N	53.7	1.0	3.0	11.6	.16	1.7	10-29-82	36.4	1.1	.9	5.18	5.01	0981
Jerrico Inc	JERR	29.38	27.13	29.38	1.88	6.82	29.38	15.63	.45	1.56	-.10	17.75	1.75	-.12 Q	-6.6	23.0	5.1	17.4	.12	.4	11-05-82	425.5	21.8	.9	3.64	11.24	0682
Kapok Tr Inns	KTI	3.75	3.50	3.75	.13	3.45	4.50	3.00	.24	1.74	-.34	-37.95	-.24	-.17 N	NE	-31.0	-2.9	NE	.00	.0	00-00-00	13.8	-.4	3.1	1.93	5.84	0981
Kelly Johnston	KEJO	18.13	17.25	17.25	-.50	-2.82	18.13	9.16	.57	-.38	-1.63	-29.86	.59	.18 Q	42.8	115.0	8.4	28.8	.00	.0	10-13-82	17.9	1.5	.9	.89	4.40	0382
Karcher Carl	CARL	21.50	18.88	20.00	.63	3.23	21.50	8.88	.25	-.65	-2.86	-16.07	1.51	1.69 S	NC	16.0	3.4	11.8	.00	.0	00-00-00	200.6	6.9	1.9	6.43	8.34	0182
Lubys Cafe	LUB	38.25	35.00	35.38	-1.00	-2.75	38.25	24.50	.48	-.01	.57	-16.80	1.69	.24 F	16.5	23.0	9.0	20.9	.60	1.7	12-13-82	108.2	9.8	1.1	.90	5.98	0881
Marcus Corp	MRCS	9.00	8.13	9.00	1.13	14.29	9.00	5.00	.63	1.21	1.41	-24.19	1.13	-.03 Q	-2.5	4.0	5.7	7.9	.00	.0	08-24-81	103.8	5.9	.8	2.98	9.76	0582
Marriott Corp	MHS	55.50	52.75	53.75	-1.88	-3.37	58.88	32.00	.26	.43	-.81	-26.59	3.20	.29 N	9.5	29.0	4.3	16.1	.30	.6	09-20-82	2000.3	86.1	.9	23.23	16.12	1281
McDonalds Cp	MCD	64.25	57.75	61.25	-3.50	-5.41	65.63	38.69	.04	-.28	-2.49	10.77	4.36	.65 N	15.4	18.0	10.7	12.6	.88	1.4	10-15-82	2477.2	264.8	.5	15.35	22.73	1281
Morrison Inc	MORR	15.88	14.38	15.00	-.75	-4.76	15.88	8.13	.22	-.78	-1.19	7.93	1.16	.28 Q	29.1	8.0	4.1	12.1	.36	2.4	10-08-82	364.3	15.1	1.4	2.95	7.90	0582
Mr Steak	MSST	2.75	2.13	2.13	-.50	-19.05	3.38	1.75	-.02	-6.36	2.18	-6.14	.22	-.47 N	-293.7	-23.0	.5	NE	.00	.0	05-29-80	55.7	.3	1.4	3.45	4.70	0981
Nathans Famous	NATH	1.38	1.06	1.06	-.13	-10.53	1.78	.59	.19	-4.34	6.88	-22.83	.03	.79 Q	NE	NE	.6	26.6	.00	.0	09-09-82	16.7	.1	.5	.10	1.73	0382
Naugles Inc	NAUG	18.00	14.50	17.50	3.00	20.69	18.00	6.84	.34	.27	-3.05	-11.71	.78	.65 F	500.0	28.0	3.9	22.4	.00	.0	11-01-82	55.8	2.2	.4	8.04	2.73	0682
Oakbrook Cons	OKCO	14.00	14.00	14.00	.00	.00	14.00	9.00	.00	.85	.86	71.11	1.74	-.83 N	-47.9	3.0	1.3	15.6	.32	2.3	09-13-82	133.4	1.7	.8	5.60	13.02	0981
Orange-co	OJ	5.63	5.00	5.38	-.13	-2.27	11.38	4.63	-.52	2.76	1.25	-42.59	-.20	-1.25 F	-119.0	22.0	-.8	NE	.20	3.7	02-22-82	76.2	4.1	1.9	10.24	7.21	0881
Piccadilly Caf	PICC	16.00	15.88	15.88	-.13	-.78	18.13	13.50	-.27	.55	.42	2.04	1.39	.03 Q	2.2	13.0	5.9	11.5	.56	3.5	12-09-82	142.6	8.4	1.9	.00	7.29	0682
Pizza Inn	PZA	7.25	6.50	6.75	.13	1.89	7.38	4.50	.62	-.44	1.84	20.09	.50	-.09 S	-15.2	-7.0	1.0	13.5	.00	.0	00-00-00	133.5	1.4	.9	12.94	6.65	1281
Pizza Time Thea	CHKY	21.50	18.00	21.00	2.25	12.00	32.50	14.25	.64	.43	2.10	-3.67	.58	.78 N	229.4	42.0	7.2	18.8	.00	.0	00-00-00	36.2	2.6	3.2	.81	7.87	1281
Ponderosa Sys	PON	26.50	22.63	26.00	.50	1.96	26.75	12.00	.00	2.21	-3.88	29.93	2.01	.95 S	78.5	-8.0	2.4	12.0	.50	1.9	09-21-82	353.9	8.5	1.0	19.96	16.83	0282
Ramada Inns	RAM	6.50	5.75	5.88	-.25	-4.08	7.38	4.25	.55	-.79	.01	-.84	.05	-.60 N	-272.7	-24.0	.4	NE	.00	.0	10-19-81	395.5	1.4	.6	18.98	6.03	1281
Restaur Assc	RA	7.50	5.88	6.00	-1.25	-17.24	7.50	3.25	1.39	-1.66	4.42	3.52	.97	-.32 N	-32.6	42.0	2.4	9.1	.00	.0	00-00-00	99.2	2.4	1.3	3.17	6.38	1281
Saga Corp	SGA	43.13	38.00	39.75	1.50	3.92	43.13	16.75	.56	-.51	3.97	-22.60	3.35	.90 Q	34.8	40.0	1.9	11.4	.56	1.4	11-15-82	901.0	16.8	.9	8.51	17.72	0682
Sea Galley	SEAG	8.38	8.00	8.13	.00	.00	10.63	6.75	-.10	.63	-.69	-22.70	.68	-.17 N	-24.6	45.0	4.5	15.6	.00	.0	06-02-81	49.0	2.2	1.8	2.38	4.99	1281
Servico Inc	SRVI	13.00	11.50	12.00	.75	6.67	13.00	6.81	.71	-.96	1.71	-19.81	1.54	-.82 S	-41.8	74.0	3.5	10.5	.00	.0	07-09-82	126.4	4.4	1.1	50.99	5.46	1281
Shoneys Inc	SHON	25.38	25.00	25.00	-.38	-1.48	25.38	12.63	.25	.39	-2.14	-1.26	1.03	.25 N	25.7	21.0	5.5	20.5	.16	.6	09-28-82	269.4	14.8	1.0	1.97	5.03	1081
Skippers	SKIP	6.75	6.75	6.75	-.75	-10.00	7.50	4.25	-.05	.80	3.44	32.71	.73	-.46 N	-46.0	4.0	3.0	12.5	.08	1.2	10-18-82	33.7	1.0	1.2	3.45	6.07	1281
Sonesta Hotel	SNSTZ	13.50	13.50	13.50	.00	.00	14.00	8.50	-.21	.80	9.32	-39.21	.94	-.70 N	-40.2	39.0	1.4	13.0	.20	1.5	06-25-82	145.0	2.1	.9	27.74	10.01	1281
So Hospitality	SHOS	2.25	2.25	2.25	.13	5.88	2.25	1.00	1.37	.90	-1.66	-50.90	.14	.16 Q	NC	21.0	2.5	14.1	.00	.0	00-00-00	20.3	.5	1.0	2.29	-.20	0582
Steak n Shake	STAK	2.75	2.63	2.75	.13	4.76	3.00	2.50	-.53	1.02	3.82	22.89	.06	-.15 N	-62.5	-32.0	.5	30.6	.00	.0	05-17-79	56.5	.3	1.2	4.60	2.60	0981
Victoria Stations	VSTA	5.50	5.00	5.25	-.25	-4.55	11.00	5.00	-.61	1.94	.15	21.84	.35	.58 S	NE	-38.0	1.0	NE	.00	.0	09-19-79	123.4	1.2	1.0	7.67	10.49	0382
Wendys Intl	WEN	24.38	21.00	21.88	-1.38	-5.91	24.38	12.25	.24	-1.34	-1.73	6.88	1.52	.15 N	10.0	18.0	7.6	13.3	.36	1.6	10-29-82	486.6	36.9	.6	3.84	7.89	1281
Webb Del E	WBB	11.25	9.13	10.00	.75	8.11	11.25	4.88	1.45	-.90	4.12	-15.89	.56	.81 N	NE	-24.0	1.3	18.2	.00	.0	11-07-80	414.8	5.3	1.1	16.12	13.25	1281
Winners Cp	WNER	14.63	13.75	14.13	.13	.89	14.63	6.38	.45	-.24	-1.35	-5.73	.67	.84 N	NC	6.0	2.1	16.8	.00	.0	00-00-00	72.7	1.5	.3	13.37	7.09	1281

KEY: NA—Not Applicable NC—Not Calculable NE—Negative Earnings Q-First Quarter S-Six months N-Nine months F-Fiscal year
**—Other than a quarterly multiple resulting from a fiscal year change.*

Data and Table Provided by Media General Financial Services, Inc., Richmond, VA 23261

FINANCIAL NEWS

Disney's net drops 18% in fiscal '82

BURBANK, Calif.—Walt Disney Productions reported net income for fiscal 1982 ended Sept. 30 dropped 18% to $100.1 million compared to year-ago results.

Revenues for the year were up 3% to $1.03 billion.

In the fourth quarter profits decreased 25% to $28.1 million and revenues were down 4% to $295 million.

Attendance dropped at both Disneyland in Anaheim, Calif., and Walt Disney World in Lake Buena Vista, Fla. The drop at Disney World was 5%, to 12.6 million, and at Disneyland it was 8%, to 10.4 million.

But the company reported that operating profits for that group went up about 2.4% to $132.6 million. This was due to higher admission prices.

One reason for the drop in overall profits, the company said, was a 55% decrease in interest income, to $14.8 million. That resulted from expenditures on the Epcot Center in Florida, which cost nearly $1 billion and opened in October. Company officers are hopeful that Epcot will help draw some 20 million visitors to the Disney complex in Florida.

Another major reason for the decline in profits, Disney said, was the "disappointing performance" of three feature films released by the company during the year, including the computer fantasy *Tron*. Operating profits for the movie division fell 72% to $8.4 million.

EARNINGS REPORT

Company	Period	Period Ended	Total Sales*	% Change	Revenues*†	% Change	Net Income (Loss)*	% Change
Disney	12 mos. 13 wks.	9/30			$ 1.03B 295.000	3.0 (4.0)	$100.100 28.100	(18.0) (25.0)
Resorts International	13 wks. 39 wks.	10/3			102.985 301.309	2.8 9.0	13.426 15.779	33.6 497.0
Garcia's of Scottsdale	13 wks. 9 mos.	10/10			5.489 19.211	75.9 69.2	(209,000) 568,000	 28.4
Nathan's Famous Inc.	13 wks. 26 wks.	10/26			5.542 10.425	6.4 36.1	$549,794 $908,246	62.0 36.0
Kelly-Johnston Ent.	13 wks. 36 wks.	9/26			10.014 18.294	41.0 38.7	$622,230 1.120	70.8 81.5

Source: *Company earnings reports*

—loss in corresponding period
**In millions*
†In cases where companies do not break out their total sales for all units, revenues are indicated instead. These generally consist of company-owned restaurant sales, franchise fees and rental incomes, royalties and operating income, as well as other miscellaneous incomes, such as interest income and gains on real estate and construction.

Marcus Corp.'s first-qtr. profits off slightly

MILWAUKEE—The Marcus Corp., operator of hotels, movie theaters and restaurants, including 39 Big Boys, said its net income for the first quarter, ended Aug. 31, was $2.26 million, down nearly 1% from last year's comparable period.

Revenues for the first 12 weeks of fiscal 1983 rose by about $250,000, to $27.9 million.

The company owns and operates 84 movie theaters, a total of 112 restaurants, 2 bowling centers, 14 Marc's Budgetel Inns, 1 Guest House Inn, the Pfister Hotel, the Marc Plaza Hotel and the Sheraton Mayfair Inn. Of the 112 restaurants, about half are food and beverage operations located in the various hotel properties, according to a company spokesman.

In fiscal 1982, the Milwaukee-based company reported income of $5.9 million.

Third-qtr. profits decline at Sea Galley

MOUNTLAKE TERRACE, Wash.—Sea Galley Stores Inc. has reported a 36% decrease in profits for the third quarter ended Sept. 30. Net income in the quarter was $376,000 on sales of $18.4 million, compared to $586,000 on sales of $14.8 million in the same period a year ago.

For the first nine months this year sales are up 43% to $51.6 million but income is down 9% to $1.5 million.

Last year, when profits were up 74% over 1980, Sea Galley grew at the rate of about one new unit per month. The company then also bought the 31-unit Family Fish chain in Maryland, sold 21 of the units, and converted five to Sea Galleys. Late in this year's third quarter the company closed two of the remaining five stores, leaving it 45 units in all.

Sea Galley's financial results so far this year reflect the soft economy of its primary market in the Pacific Northwest, the company said. As the regional downturn affects the restaurant business in general it has had an adverse impact on the company's narrower margins in sales to competitors from its food-service distribution subsidiary, sources report.

"We believe that significant upturn in our primary market will not occur until next year," president and chairman Steven Dowen said. "With economic and normal seasonal sales improvement in early 1983 our operating leverage would provide a return to greater profitability, but for the short term we anticipate continued pressure on earnings."

Operation of seven units of the Family Fish group which the company sold last year and tried to repossess in September has now been assumed by a trustee while the defaulting purchaser has been involuntarily placed in Chapter XI by creditors.

Poncho's shows '82 profit surge

FORT WORTH—A strong fourth quarter helped boost Pancho's Mexican Buffet Inc., the operator of 31 dinnerhouses, to a 31% increase in net profits to $826,900 for the fiscal year ended Sept. 30, according to Hollis Taylor, the company's president and chief executive officer.

Sales for the company, formerly known as Pamex Foods Inc., increased 12% to $24.2 million during the year.

Net profit for the fourth quarter ended Sept. 30 jumped 92% to $202,204

The company operates dinnerhouses under three names: Pancho's Mexican Buffet, Spanish Galleon Seafood Restaurant and Emiliano's.

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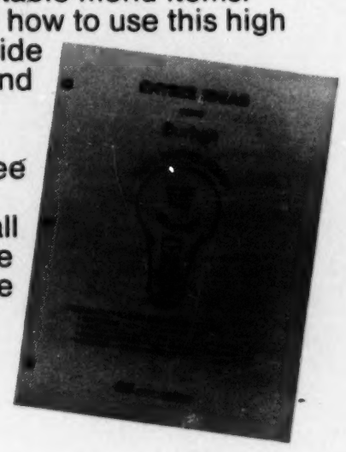

Durkee
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Sandwich Chef first-qtr. profits increase 12%

BIRMINGHAM, Ala.—Sandwich Chef, operator of 167 deli-style sandwich shops in five states, said that profits for the first quarter ended Oct. 2 climbed 12% to $215,421, over the comparable period last year.

Sales for the quarter went up to $4,687,592, an increase of 19% over 1981's first quarter.

Alan V. Kaufman, president, stated: "Our sales growth reflects continued increases from units with our new potato and hotdog bars. During the quarter we expanded this concept into 16 additional units."

The statement continued: "In addition to the expanded units, we opened three new stores, sold two marginal units, and closed two at the end of their leases."

Sandwich Chef completed the sale of 255,000 shares of common stock at $11 a share in late September. The company said that the $2.8 million realized from the sale would be used to repay bank loans, construct new units, install potato and hotdog bars in selected units, and pay stock-offering expenses.

Southern Hospitality Corp. soars with 154% gain in first-qtr. net

NASHVILLE—Southern Hospitality Corp. reported profits for the first quarter ended Aug. 31 increased 154% to $191,820 over the comparable period last year.

Sales for the first quarter were up 11% over last year's figure to $5,487,801.

R. Wayne Oldham, chairman and chief executive officer attributed the improved sales and earnings to higher operating margins from company-operated Wendy's and Ireland's restaurants, and the new Tempo's restaurant which opened in October 1981.

Southern Hospitality operated 21 Wendy's during the first quarter this year compared with 19 units during the same quarter last year.

The corporation currently owns 22 Wendy's, three Ireland's, and one Tempo's, all in the Nashville area. On Sept. 3, stockholders approved the purchase of 12 Mr. Gatti's restaurants.

Saga reports bullish first quarter

MENLO PARK, Calif.—Saga Corp. has continued to take advantage of improved management controls and slowing inflation in its first quarter ended Sept. 25, posting a 33% increase in net income to $2.8 million on a 7% boost in revenues.

The income gain was achieved on revenues of $206 million, up from $194 million in last year's first quarter.

Charles A. Lynch, chairman and ceo, said, "We are very pleased with our first quarter performance which represents a continuation of the trend begun in prior years.

"The generally poor business conditions throughout the country and the declining rate of inflation were reflected in lower customer counts in our restaurant divisions and slower revenue growth in our contract food-service divisions.

"However, earnings continued to show strong improvement."

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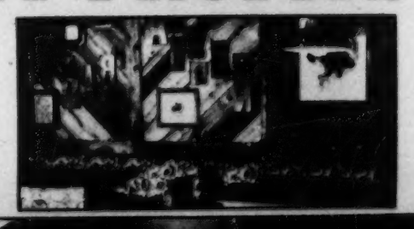

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Industry reeling from '82 results

By Joe Edwards

BALTIMORE—Top executives of major food service and lodging companies have confirmed that 1982 results failed to meet even the modest goals set earlier in the year.

An economic recovery that was expected in the third and fourth quarters never materialized. Instead, the recession dragged on, unemployment skyrocketed to nearly 11% of the workforce and consumer spending dipped sharply.

For food service, this meant a severe erosion of customer traffic, a dramatic dropoff in unit sales and flat or negative real sales growth, according to chain executives who spoke at the annual two-day Food Service and Lodging Seminar sponsored by Alex. Brown & Sons, an investment banking firm.

Among the companies sending representatives were Marriott Corp., Church's Fried Chicken, Holiday Inns Inc., Chart House Inc., Family Entertainment Centers (a Pizza Time Theater franchisee), Jerrico Inc., Sandwich Chef, Denny's, and Sea Galley Stores.

Few food-service or lodging segments have been spared by the economy, according to the speakers. Problems have beset coffee shops, fast feeders, dinnerhouses, luxury hotels, and others. Restaurants in the Midwest and Southwest have been especially hard hit.

Surprisingly, even with a squeeze on profit margins, some chains have been able to lessen the impact of the recession with efficient operations systems. Still, the news about 1982 was mostly bad.

"These are fierce and lean times for food service," commented Ernest Renaud, presi-

(Continued on page 104)

November slump may indicate more hard times ahead

COLONIA, N.J.—A noticeable November slump in customer counts for major food-service chains may presage a general economic softness and a prolonged recession, rather than the partial recovery economists have been expecting.

A selected list of 14 key chains showed only a 5.6% comparative sales increase and 2.7% real sales increase (when the average menu price rises of only 2.9% are subtracted) for November, compared with the previous soft November. Real sales for the same group had been up 3.8% in October, compared with the previous October.

Among key indicators for November, Jack-in-the-Box was up only 5% in real sales compared with the previous disastrous November (which had followed the "kangaroo" meat scare); McDonald's and KFC rose only 1% each; Church's and Long John Silver's were flat, and Sambo's was off 2%.

"Worst of all," said Carl DeBiase, who conducts these surveys for Restaurant Industry Trends here, "there has been a big decline in total comparative sales growth, which dipped from a 7.8% increase in October over the previous October, to 5.6% in November. Since November's weather was actually better than average in most of the country, these figures indicate that no early general economic recovery is likely."

Operators face formidable task under new tip reporting scheme

By Ken Rankin

WASHINGTON—Few full-service restaurants will be able to avoid cumbersome employee tip reporting requirements under a series of new and painfully complex regulations issued by the Internal Revenue Service late last year.

The new and officially still temporary IRS rules do offer the nation's food-service operators some flexibility in administering the controversial tip income disclosure system mandated by Congress as part of last summer's $98-billion Federal tax increase.

But at the same time those tax service regulations are likely to sandwich many restaurateurs in the middle of bitter labor disputes between waiters, bus boys, bartenders and other food-service employee categories whose earnings will be adversely affected by the reporting requirements.

The new Federal tip rules will apply to hundreds of thousands of food-service establishments across the country and will affect nearly 1.5 million restaurant industry employees from waitresses and maitre d's to cooks and counter workers.

As potentially troublesome as the IRS regulations appear, food-service industry legal specialists acknowledge that the tip ground rules could have been even more of a burden for restaurant operators and employees.

"IRS made several changes in response to comments from industry groups such as the National Restaurant Association, and as a result several potentially sticky issues were resolved," NRA counsel Robert Palmer said. "We still have some serious concerns about the regulations, and may urge the tax service to make further changes over the next few weeks."

Specifically, NRA and other industry organizations consider the appeals process laid down by IRS to be overly rigid, and

(Continued on page 103)

Workers convert St. Louis Burger Chef unit to Hardee's. At presstime, 200 such conversions had been completed.

Chock Full o'Nuts' Black fends off takeover attempt

By Rurick Telberg

NEW YORK—Casting their votes at a raucous annual meeting spiked with shouts of "liar" and "looter," Chock Full o'Nuts shareholders last month re-elected their ailing and aging over-80 chairman, William Black, and the rest of the board of directors to a new one-year term.

Black, who hasn't attended an annual meeting since storming out of one in 1970, fended off the bitter takeover attempt by winning 57.6% of the vote. Leon Pordy, president of the company and Black's personal physician, engineered the successful defense against a dissident group led by Jerry Finkelstein, a New York financier.

But Finkelstein, his face reddened with rage, vowed at the meeting, "Win or lose, the fight has just begun."

"I've invested millions," said the 66-year-old Finkelstein, the father of a politician, who, after changing his name, won election to the New York City council. Finkelstein began buying his 355,000 shares two years ago at $10 per, bidding the price up to $17.88 for 17% control of the stagnating coffee company. Management controls 30%.

Charging the board's proxy statement was false and misleading, Finkelstein's insurgents were suing in Federal court to overturn the results of the vote which garnered a tremendous 91% response.

(Continued on page 104)

LATE NEWSBREAKS

At the end of 1978 Howard Johnson operated or licensed 31 Red Coach Grills, but the charm of the full-service, Colonial decor units faded. Now HoJo's has agreed to sell 16 of its 19 remaining Red Coaches to Boston-based Exeter Equities Inc., a diversified concern with heavy real estate interests, which already was licensor of three other Red Coaches.

Richard P. Mayer, who was in charge of KFC's domestic operations, has been promoted to chairman and ceo of all KFC units as part of a reorganization by new corporate parent R. J. Reynolds. He succeeds Michael Miles, who is Kraft president.

Lucky Steer Restaurants, Fort Wayne, Ind.-based operator of 29 restaurants averaging $600,000 annual sales in severely depressed areas of Indiana, Michigan and Ohio, is going out of business. Three of the family steakhouses are shut, and the others are being sold.

Hardee's launching new holding company

ROCKY MOUNT, N.C.—After weeks of intensive consultations climaxing in a late-night board meeting, Hardee's Food Systems directors hammered out a plan to reorganize the firm as a holding company named after its Montreal-based parent, Imasco.

The new structure, which should be completely in place at the start of the next fiscal year in April, could lay the groundwork for future acquisitions by the Canadian tobacco conglomerate, Imasco Ltd.

This plan enlarges the board of directors, elevating some key top executives. And it forms a holding company with four divisions—the Hardee's chain, the Burger Chef chain, the manufacturing and distribution division, and the contract-feeding and specialty-restaurant division.

As Hardee's continues to convert Burger Chef restaurants to the Hardee's banner, the Burger Chef division would wither away. At year-end almost 200 Burger Chefs had been converted to Hardee's. That gives the company about 1,760 Hardee's outlets and leaves about 425 Burger Chefs —350 of which are franchised— to be remodeled by the end of 1983.

As a prelude to the December board meeting, Hardee's had disclosed, first to employees, then publicly at Burger Chef headquarters in Indianapolis, that Burger Chef president John Martin would become president and chief operating officer of the Hardee's restaurant division.

The move apparently crowning Martin second only to Jack Laughery, chairman and chief executive, rubbed several veteran executives the wrong way.

Martin's first lieutenant at Burger Chef, Jim Chronley, executive vice president, was named president of Burger Chef. He is an expert in real estate and site location matters.

Division presidents under the plan report to the holding company, headed by Laughery, who becomes chairman, chief

(Continued on page 104)

FINANCIAL NEWS

Discounting strategy backfires on Vic Station

LARKSPUR, Calif.—Victoria Station, wounded by a now-abandoned discounting strategy and suffering from an ongoing decline in meal counts, has posted a $1.2 million loss for the 12-week second quarter ended Sept. 12, compared to net earnings of $391,000 in the same period of the preceding year. Revenues for the quarter were $25.5 million, compared to $30.4 million a year ago.

For the first 24 weeks of fiscal 1983, the loss was $1.1 million vs. earnings of $1.1 million for the first half of 1982. Revenues in the first half of this year were $52.4 million, compared to $60.4 million last year at the same time.

Along with the probability of damage to its image from discounting, Victoria Station president and ceo Richard Niglio pointed to the boxcar-themed dinnerhouse chain's slump in customer counts as the basis of its troubles: "While this problem has been with the company for some time, it has become particularly severe over the last four fiscal quarters."

Niglio's strategy for both short- and long-term recovery is based on revamping the company's marketing structure and philosophy. Included in the short-term moves are the replacement of some dinner items with more fresh fish; the elimination of the company's field marketing staff, which had been heavily involved with discount and coupon promotions, and creation of a new, broadcast-oriented media campaign to boost seafood sales.

For long-term reversal of the meal-count decline, the company is constructing an entirely revamped menu which will feature a wider selection of entrees with a greater range of prices.

Other changes, which Niglio characterized as "a significant change in strategic direction for the company," include an overhaul and repositioning of the Victoria Station concept and format and its reintroduction to the marketplace through a high-impact television advertising effort.

The first tests of Niglio's overhauled concept are reportedly just getting under way. Niglio, with Victoria Station just over five months since replacing Terrance Collins, declined to give any further details of his newly conceived battleplan.

H & H to raise capital for Bojangles

NEW YORK—Horn & Hardart plans to raise up to $50 million for the development of 85 franchised Bojangles spicy fried chicken restaurants to be built next year.

The company said the Franchise Finance Corp., a capital-brokering firm, had filed with the Securities and Exchange Commission for the sale of limited partnerships in Bojangles restaurants.

Bojangles said it planned to build 85 franchise units next year as a result of the offering.

In effect, the innovative financing plan allows independent franchisees to tap into a public pool of investment capital.

Food-service chain stock analysis table

		STOCK PRICE							TREND TO MARKET				EARNINGS/SHARE					P/E	DIVIDENDS			FINANCIAL POSITION					
		Two Weeks Ended Dec. 16							Price Trend (% per day)		Volume Trend (% per day)			Latest 12 Months vs Preceding 12 Months Change		5-Year Annual Growth Rate	Profit Margin		Indicated Dvd. Rate		Last X-Dvd. Date	Last Fiscal Year		Current Ratio	Last Fiscal Year (Per Share)		Last Balance Sheet Date
					Change		52-Week																				
Name	Symbol	High	Low	Close	Amt.	Pct.	High	Low	Last 30 Days	Last 5 Days	Last 30 Days	Last 5 Days	Last Fiscal Year	Amt.	Pct.			Latest P/E Ratio	Amt.	Yield		Revenue	Earnings		Long Term Debt	Common Stock Equity	
—	—	$	$	$	$	%	$	$	%	%	%	%	$	$	%	%	%	—	$	%	—	$ Mil.	$ Mil.	—	$	$	—
Aca Los A Res	ALAR	6.88	6.38	6.38	-.50	-7.27	7.88	3.50	-.24	-.68	-2.98	20.28	.47	-.43 N	-95.5	-25.0	4.3	318.8	.00	.0	01-06-81	27.7	1.2	2.4	5.69	2.90	1081
Am Motor Inns	INN	30.50	26.88	26.88	-.88	-3.15	30.50	12.00	.46	-.54	-1.68	1.35	2.10	.45 Q	25.4	29.0	7.0	12.1	.22	.8	08-10-82	161.4	11.3	1.6	15.08	13.00	0782
ARA Services	ARA	35.00	32.50	33.63	1.00	3.07	36.00	23.50	.04	-.02	-3.11	13.79	3.43	-.57 F	-14.2	-2.0	1.4	9.8	2.00	5.9	11-24-82	2915.9	45.1	1.2	21.04	44.21	0981
Assoc Hosts	AHST	8.63	7.38	7.88	1.00	14.55	8.63	5.00	.92	-1.17	3.01	-2.15	.58	-.08 F	-12.1	-11.0	2.2	13.6	.12	1.5	12-06-82	79.9	2.1	1.5	6.40	7.04	0981
Beefsteak Char	BCS	7.88	6.63	6.75	-.75	-10.00	8.25	2.88	1.05	-1.52	-2.15	-10.47	.62	.16 N	25.3	33.0	2.4	8.5	.00	.0	00-00-00	86.2	2.1	1.2	1.49	3.09	1081
Bob Evans Farms	BOBE	38.75	33.25	33.25	-.75	-2.21	38.75	19.53	.99	-2.06	3.51	-20.95	1.45	.08 S	5.9	23.0	7.9	23.3	.40	1.2	11-05-82	173.4	13.7	1.7	.00	6.90	0482
Bonanza Intl Inc	BNZA	3.75	3.38	3.38	-.38	-10.00	3.75	1.06	1.92	-1.50	-4.47	-13.29	-3.33	-.69 N	NE	-62.0	-61.8	NE	.00	.0	00-00-00	24.1	-14.9	1.2	11.24	1.50	1281
Brock Hotel Cp	BHC	11.38	8.00	8.25	-1.88	-18.52	17.50	8.00	-.32	-5.60	3.74	41.59	.59	.30 N	73.1	23.0	4.3	11.6	.10	1.2	09-27-82	165.1	7.1	1.2	11.01	3.90	1281
Calny Food	CLNY	10.50	9.00	9.75	.75	8.33	10.50	4.91	1.75	.03	8.69	14.52	.74	.08 S	12.3	6.0	3.2	13.4	.12	1.2	11-24-82	37.0	1.2	.6	1.01	1.51	0282
Carrols Develop	CRL	12.50	10.00	11.00	.75	7.32	12.50	4.13	.59	-1.33	1.76	-41.77	.66	.52 Q	126.8	21.0	1.9	11.8	.09	.8	12-24-81	68.6	1.3	.6	9.82	5.99	0582
Chart House	CHHO	27.25	25.00	25.00	-1.75	-6.54	28.13	15.88	-.06	-.97	-3.24	36.68	2.03	.16 N	8.2	13.0	5.0	11.9	.60	2.4	09-24-82	353.9	17.7	.9	14.53	10.14	1281
Chi-Chis	CHIC	34.38	30.38	30.38	-1.75	-5.45	34.38	11.09	1.06	-1.42	3.35	9.75	.55	.22 Q	55.0	26.0	11.1	49.0	.00	.0	06-28-82	14.9	2.1	3.1	1.10	1.23	0481
Ch Full O Nut	CHF	15.25	13.25	14.13	-.13	-.88	18.25	9.25	.08	1.16	.48	4.80	.34	-.32 F	-48.4	15.0	1.4	41.5	.40	2.8	12-09-82	115.8	1.6	3.1	.43	5.97	0782
Churchs Fr Ch	CHU	39.00	36.63	37.00	-1.25	-3.27	40.75	25.00	-.14	.02	-1.03	-14.50	3.52	-.06 N	-1.7	16.0	10.8	10.8	1.00	2.7	10-25-82	412.1	44.6	1.9	1.02	15.25	1281
Cindys Inc	CNDYC	3.88	3.75	3.75	.00	.00	3.88	2.63	.48	.16	4.45	28.48	-.06	1.37 F	NE	NE	-6	NE	.00	.0	00-00-00	17.0	-.1	.0	7.17	.29	1281
Collins Foods	CF	22.38	19.00	19.75	-2.50	-11.24	22.63	8.53	.46	-1.79	-.64	35.22	1.69	.50 S	33.1	15.0	3.2	9.8	.24	1.2	12-23-82	298.0	9.6	1.3	7.44	10.69	0482
Consul Corp	CNSL	11.88	11.00	11.00	-.13	-1.12	11.88	5.25	.99	.79	2.38	-9.60	.00	-.08 Q	-88.8	NE	.0	-100.0	.00	.0	00-00-00	17.6	.0	.7	2.21	2.88	0582
Cracker Barrel	CBRL	22.00	19.50	19.50	-1.75	-8.24	22.50	7.25	1.28	-.92	.07	9.98	1.03	.05 Q	4.6	19.0	3.7	17.3	.00	.0	00-00-00	35.4	1.3	1.9	5.35	6.69	0782
Dennys Inc	DEN	36.88	30.75	31.63	-2.63	-7.66	36.88	18.34	-.01	-.46	-1.71	-8.02	2.47	.40 Q	18.6	9.0	3.9	12.4	.64	2.0	12-07-82	955.7	36.8	1.4	15.81	15.02	0682
Dunkin Donuts	DUNK	28.38	25.63	25.63	-1.75	-6.39	28.38	11.13	.04	-.89	-3.46	15.26	1.82	.25 N	14.0	19.0	8.3	12.6	.36	1.4	11-05-82	68.7	5.7	1.3	11.44	10.61	1081
Frischs	FRS	13.88	12.75	13.63	.88	6.86	13.88	7.09	.39	1.72	-5.34	-38.54	1.80	.10 Q	6.2	16.0	3.8	8.0	.40	2.9	11-29-82	101.0	3.8	1.5	6.23	13.58	0582
Godfathers Pizza	GFPZ	17.13	15.50	16.13	.63	4.03	17.13	9.63	.68	-.76	3.56	-24.44	.58	.63 N	NC	130.0	16.0	25.6	.00	.0	00-00-00	33.8	5.4	2.0	.76	1.01	1281
Hambrg Hamlet	HAMB	6.50	6.25	6.50	.25	4.00	8.25	5.00	.48	1.60	2.68	.00	1.35	.60 Q	111.1	-9.0	3.2	5.7	.00	.0	00-00-00	31.6	1.0	.7	20.45	13.07	0382
Hardwicke	HAWK	1.25	1.25	1.25	.00	.00	4.38	1.25	-.92	.49	4.10	21.88	-2.22	-5.08 N	-336.8	-63.0	-11.4	NE	.00	.0	00-00-00	30.6	-3.5	1.4	18.38	8.12	0981
Hilton Hotels	HLT	52.00	45.25	45.50	-.38	-.82	52.00	27.63	.08	-1.52	1.53	-20.30	4.22	-.65 N	-15.7	20.0	20.9	13.1	1.80	4.0	12-13-82	539.3	112.6	2.0	4.48	19.98	1281
Holiday Inns	HIA	35.63	31.00	32.38	-2.38	-6.83	38.75	23.75	-.37	.74	3.38	17.41	3.66	.57 N	20.1	22.0	7.8	9.5	.80	2.5	12-13-82	1765.1	137.4	.8	20.99	25.33	1281
Holiday Inns A	HIA A	50.75	50.75	50.75	-1.75	-3.33	55.50	36.00	-.19	-.23	-14.39	50.00	NA	NA	NA	NA	NA	NA	.00	.0	00-00-00	NA	NA	NA	NA	NA	NA
Horn & Hardart	HOR	25.63	23.13	23.50	.00	.00	25.63	9.22	.36	.57	-2.01	-4.38	.95	.05 N	5.5	30.0	2.7	24.7	.00	.0	09-27-82	166.1	4.5	1.7	11.45	6.30	1281
Hungry Tiger	HTIG	8.00	7.63	7.63	-.38	-4.69	8.25	4.00	.72	-.15	-3.30	-15.75	.78	.11 F	16.4	38.0	3.8	9.8	.00	.0	11-15-82	55.9	2.1	.6	4.91	5.57	0882
Imperial Grp	IMT	2.00	1.88	2.00	.13	6.67	2.00	1.25	-.01	2.69	-5.07	-45.00	.24	.00 F	.0	2.0	2.0	8.3	.14	7.0	09-28-82	8462.9	171.0	1.1	65	2.08	1081
Intl Dairy Queen	INDQ	24.50	23.75	24.25	.25	1.04	24.50	9.25	.55	1.21	-4.10	43.01	1.72	.44 N	27.1	38.0	6.1	11.8	.00	.0	00-00-00	91.3	5.6	1.1	9.68	5.82	1181
Int King Tab	IKNG	10.25	8.00	8.00	-1.13	-12.33	10.25	1.75	1.47	-5.09	1.62	15.14	.33	1.22 Q	NE	-21.0	1.4	16.7	.00	.0	10-09-79	36.6	.5	.3	4.09	3.77	0682
JBs Rest	JBBB	11.75	10.13	11.38	1.25	12.35	11.75	3.75	.59	4.28	.68	20.12	.93	.30 F	47.6	3.0	3.5	12.2	.16	1.4	10-29-82	36.4	1.1	.9	5.18	5.01	0981
Jerrico Inc	JERR	26.63	25.63	25.63	-1.38	-5.09	29.38	15.63	-.23	.69	-4.87	13.85	1.75	-.12 Q	-6.6	23.0	5.1	15.2	.12	.5	11-05-82	425.5	21.8	.9	3.64	11.24	0682
Kapok Tr Inns	KTI	4.50	3.63	4.38	.63	16.67	4.50	3.00	.77	.28	1.69	-51.88	-.37	-.13 F	NE	-31.0	-6.1	NE	.00	.0	00-00-00	13.8	-.4	3.1	1.93	5.84	0981
Kelly Johnston	KEJO	24.50	22.00	22.00	-.75	-3.30	24.50	9.34	1.37	-1.00	4.06	34.56	.59	.14 S	30.4	106.0	8.4	36.7	.00	.0	10-13-82	17.9	1.5	.9	.89	4.40	0382
Karcher Carl	CARL	21.75	18.75	18.75	-2.50	-11.76	22.50	8.88	.28	-2.09	4.85	8.82	1.51	1.78 N	NC	17.0	3.4	10.5	.00	.0	00-00-00	200.6	6.9	1.9	6.43	8.34	0182
Lubys Cafe	LUB	40.75	38.63	38.63	-1.38	-3.44	40.75	24.50	.55	-.21	-5.48	23.57	1.69	.24 F	16.5	23.0	9.0	22.9	.60	1.6	12-13-82	108.2	9.8	1.1	.90	5.98	0881
Marcus Corp	MRCS	8.88	8.63	8.63	-.25	-2.82	9.25	5.00	.27	.35	-.96	-1.53	1.13	-.03 Q	-2.5	4.0	5.7	7.6	.00	.0	08-24-81	103.8	5.9	.8	2.98	9.76	0582
Marriott Corp	MHS	61.88	58.00	58.25	-1.13	-1.89	61.88	32.00	.42	.49	-.62	-6.53	3.20	.29 N	9.5	29.0	4.3	17.4	.36	.6	12-20-82	2000.3	86.1	.9	23.23	16.12	1281
McDonalds Cp	MCD	61.00	54.00	54.38	-6.13	-10.12	65.63	38.69	-.35	-.87	2.30	21.94	4.36	.65 N	15.4	18.0	10.7	11.2	.88	1.6	10-15-82	2477.2	264.8	.5	15.35	22.73	1281
Morrison Inc	MORR	17.13	16.00	16.00	-1.00	-5.88	17.25	8.13	.40	.11	2.32	15.83	1.16	.28 Q	29.1	8.0	4.1	12.9	.36	2.3	10-08-82	364.3	15.1	1.4	2.95	7.90	0582
Mr Steak	MSST	2.50	2.50	2.50	.00	.00	3.38	1.75	-.16	.98	2.73	21.03	-.98	-1.20 F	-545.4	-29.0	-2.9	NE	.00	.0	05-29-80	55.7	.3	1.4	3.45	4.70	0981
Nathans	NATH	1.50	1.25	1.50	.00	.00	1.78	.59	.91	-1.30	1.62	23.98	.03	.79 Q	NE	NE	.6	37.5	.00	.0	09-09-82	16.7	.1	.5	.10	1.73	0382
Naugles Inc	NAUG	20.25	17.00	17.50	-4.00	-18.60	21.50	6.84	.68	1.65	10.61	-6.34	.78	.83 Q	NC	48.0	3.9	21.1	.00	.0	11-01-82	55.8	2.2	.4	8.04	2.73	0682
Oakbrook Cons	OKCO	14.00	14.00	14.00	.00	.00	14.00	9.00	.04	.78	-6.84	-50.00	1.74	-.83 N	-47.9	3.0	1.3	15.6	.32	2.3	09-13-82	133.4	1.7	.8	5.60	13.02	0981
Orange-co	OJ	5.00	4.63	4.75	-.25	-5.00	11.13	4.63	-.39	-.25	2.11	3.75	-.20	-1.25 F	-119.0	22.0	-.8	NE	.20	4.2	02-22-82	76.2	4.1	1.9	10.24	7.21	0881
Piccadilly Caf	PICC	16.63	15.50	16.25	.50	3.17	18.13	13.50	.04	2.12	-2.72	8.54	1.39	.03 Q	2.2	13.0	5.9	11.8	.56	3.4	12-09-82	142.6	8.4	1.9	.00	7.29	0682
Pizza Inn	PZA	7.00	6.38	6.50	.38	6.12	7.38	4.50	-.13	.05	-1.85	-2.24	.50	-.17 N	-27.4	-8.0	1.0	14.4	.00	.0	00-00-00	133.5	1.4	.9	12.94	6.65	1281
Pizza Time Thea	CHKY	21.00	16.25	16.25	-4.75	-22.62	32.50	14.25	-.20	-1.78	-4.46	-4.04	.58	.78 N	229.4	42.0	7.2	14.5	.00	.0	00-00-00	36.2	2.6	3.2	.81	7.87	1281
Ponderosa Sys	PON	28.00	24.75	24.88	-1.88	-7.01	28.00	12.00	.23	-.61	1.14	-20.46	2.01	.97 N	67.3	-6.0	2.4	10.3	.50	2.0	09-21-82	353.9	8.5	1.0	19.96	16.83	0282
Ramada Inns	RAM	5.75	5.13	5.13	-.50	-8.89	7.00	4.25	-.47	-1.03	-4.31	7.34	.05	-.60 N	-272.7	-24.0	.4	NE	.00	.0	10-19-81	395.5	1.4	.6	18.98	6.03	1281
Restaur Assc	RA	6.13	5.50	5.63	-.25	-4.26	7.50	3.25	-.57	.59	-7.41	8.61	.97	-.32 N	-32.6	42.0	2.4	8.5	.00	.0	00-00-00	99.2	2.4	1.3	3.17	6.38	1281
Saga Corp	SGA	43.25	37.75	37.75	-5.75	-13.22	44.00	16.75	.20	-.64	-3.52	5.59	3.35	.90 Q	34.8	40.0	1.9	10.8	.56	1.5	11-15-82	901.0	16.8	.9	8.51	17.72	0682
Sea Galley	SEAG	6.63	5.50	5.75	-1.00	-14.81	10.63	5.50	-1.18	-1.90	2.27	25.73	.68	-.17 N	-24.6	45.0	4.5	11.1	.00	.0	06-02-81	49.0	2.2	1.8	2.38	4.99	1281
Servico Inc	SRVI	12.25	11.25	11.25	-1.25	-10.00	13.00	7.03	.12	-1.32	-5.87	24.15	1.54	-.82 N	-43.6	61.0	3.5	10.6	.00	.0	07-09-82	126.4	4.4	1.1	50.99	5.46	1281
Shoneys Inc	SHON	29.50	27.13	29.38	2.00	7.31	29.50	12.63	.59	2.28	.79	-7.09	1.03	.25 N	25.7	21.0	5.5	24.1	.16	.5	09-28-82	269.4	14.8	1.0	1.97	5.03	1081
Skippers	SKIP	7.75	7.00	7.00	-.75	-9.68	7.75	4.25	.34	-.55	.07	-9.06	.73	-.46 N	-46.0	4.0	3.0	13.0	.08	1.1	10-18-82	33.7	1.0	1.2	3.45	6.07	1281
Sonesta Hotel	SNSTZ	15.00	15.00	15.00	.00	.00	15.00	8.50	.53	.79	-2.42	-73.08	.94	-.70 N	-40.2	39.0	1.4	14.4	.20	1.3	06-25-82	145.0	2.1	.9	27.74	10.01	1281
So Hospitality	SHOS	3.50	2.75	3.13	.63	25.00	3.50	1.00	1.56	2.06	4.32	-11.08	.14	.16 Q	NC	21.0	2.5	19.5	.00	.0	00-00-00	20.3	.5	1.0	2.29	-.20	0582
Steak n Shake	STAK	4.00	3.25	3.38	.50	17.39	4.00	2.50	1.37	-3.65	3.67	-9.19	.18	.12 F	200.0	-28.0	1.4	18.8	.00	.0	05-17-79	56.5	.3	1.2	4.60	2.60	0981
Victoria Stations	VSTA	6.13	5.63	5.63	-.13	-2.17	11.00	5.00	.55	-.87	-2.28	36.68	.35	.58 S	NE	-38.0	1.0	NE	.00	.0	09-19-79	123.4	1.2	1.0	7.67	10.49	0382
Wendys Intl	WEN	16.63	13.25	13.38	-3.13	-18.94	16.75	8.16	.05	-3.29	-.53	40.24	1.01	.10 N	10.1	18.0	7.6	12.3	.24	1.8	11-26-82	486.6	36.9	.6	2.56	5.27	1281
Webb Del E	WBB	11.50	9.50	10.13	.50	5.19	11.50	4.88	.29	-1.78	-.09	-38.10	.56	.81 N	NE	-24.0	1.3	18.4	.00	.0	11-07-80	414.8	5.3	1.1	16.12	13.25	1281
Winners Cp	WNER	16.50	15.25	15.25	.50	3.39	16.50	6.38	.56	-1.00	.79	11.11	.67	.84 N	NC	6.0	2.1	18.2	.00	.0	00-00-00	72.7	1.5	.3	13.37	7.09	1281

KEY: NA—Not Applicable NC—Not Calculable NE—Negative Earnings Q-First Quarter S-Six months N-Nine months F-Fiscal year
**—Other than a quarterly multiple resulting from a fiscal year change.*

Data and Table Provided by Media General Financial Services, Inc., Richmond, VA 23261

FINANCIAL NEWS

EARNINGS REPORT

Company	Period	Period Ended	Total Sales*	% Change	Revenues*†	% Change	Net Income (Loss)*	% Change
Steak n Shake	12 mos.	9/29	$ 57.189	2.2			$843,715	89.6
JB's Rests.	12 mos. 12 wks.	9/30			$ 45.247 12.092	24.00 31.10	1.617 $597,000	52.8 48.1
CFS Continental	12 mos. 12 wks.				1.043B 246.855	12.10 (0.08)	14.421 4.460	25.5 21.3
Ponderosa Inc.	12 wks. 36 wks.	11/4			91.827 273.868	10.00 5.80	3.413 9.114	62.6 27.5
Pizza Ventures	13 wks. 39 wks.	10/3			7.871 12.581	252.90 128.80	$474,804 $748,822	171.1 76.4
Carson Pirie Scott	13 wks. 39 wks.	10/30	201.790 574.121	1.8 1.8			2.307 4.390	11.1 (55.3)
ARA Services	12 mos. 3 mos.	10/2			2.805B 714.353	1.60 6.30	43.843 3.994	(17.0) (67.0)
Danners Inc.	13 wks. 39 wks.	10/30	38.538 114.021	18.8 19.7			($145,298) (1.016)	
Mr. Steak	12 mos. 13 wks.	9/26			59.797 15.219	8.30 6.60	(1.565) (1.157)	
Bob Evans Farms	6 mos.	10/29	93.087	11.0			6.687	(2.1)
Pizza Inn Inc.	3 mos. 9 mos.	10/26			36.566 105.596	0.09 1.70	$340,000 $1.224	(29.0) (10.0)
Sambo's Rests.	13 wks. 9 mos.	9/30	80.202 220.579	(36.1) (40.0)			(8.005) (62.017)	
Sizzler Rests.	13 wks. 6 mos.	10/31			31.244 66.252	14.00 20.00	1.408 2.821	6.4 137.0
Collins Foods	3 mos. 6 mos.	10/31			82.184 170.198	8.90 13.90	3.481 6.673	27.1 30.5
Judy's Inc.	13 wks. 9 mos.	10/31	9.280 28.293	(26.7) (22.9)			($211,000) (914.000)	
Associated Hosts	13 wks. 12 mos.	9/25	18.742 78.637	(5.8) (1.6)			$144,000 $1.735	(55.9) (16.4)

Source: *Company earnings reports*

—loss in corresponding period
**In millions*
†In cases where companies do not break out their total sales for all units, revenues are indicated instead. These generally consist of company-owned restaurant sales, franchise fees and rental incomes, royalties and operating income, as well as other miscellaneous incomes, such as interest income and gains on real estate and construction.

ARA net drops 17% for fiscal '82

PHILADELPHIA—Net income for ARA Services Inc. for the fiscal year ended Oct. 2, 1982, dropped 17% to $43.8 million from $53 million a year earlier. For the quarter ended the same date, net income dropped 67% from $12 million to $3.9 million.

Revenues for the fiscal year rose a slight 1.6% from $2.7 billion to $2.8 billion, while revenues for the fourth quarter were up 6.3% from $672 million to $714 million.

Extraordinary credits were applied to the balance sheet in both 1981 and 1982. In 1981, the extraordinary item was an $8 million tax credit related to the previous year's write off of the Smith Transportation Corp.'s operating rights. In 1982 the item was a tax free gain on debt-for-equity exchange.

ARA's operating income was down for the 1982 fourth quarter, compared to 1981 due primarily to the transportation business's deregulation, the recession and the drop in tonnage experienced by the trucking industry.

In the food-service sector, results for the year were mixed. While revenues and net income for food and dining services in the business and education market improved, vending business was hurt by the sharp drop-off of plant employees in the country's heavy industry.

44% first qtr. gain reported by Naugles

FULLERTON, Calif.—Naugles Inc. recorded a net income gain of 44% to $1.1 million for the first quarter of fiscal 1983 ended Oct. 21, compared to last year's first quarter.

Sales were up 56% for the same period to $24.2 million.

Pretax earnings for the quarter rose 34% to $1.3 million from $967,000 last year.

Last year's net income of $754,000 came before an extraordinary item due to an accounting change added $188,000 to first quarter earnings for total income of $942,000.

During the first quarter the company added 26 fast-food units to its chain, bringing the total to 131. The company had 72 restaurants at the end of the first quarter last year.

The chain was extended into its seventh state, Wisconsin, during the first quarter. Naugles also operates in Nevada, Utah, Missouri, Illinois, Kansas and its primary market, California.

At presstime, the company had opened an additional four units since the end of the first quarter, bringing its total to 135—all offering a variety of Mexican and American menu items in a 24-hour format featuring drive-thru service.

Last month the company expected to commence an offering of 570,000 shares of its common stock and an additional 430,000 shares by certain selling shareholders. Net proceeds from the sale were to be used for equipment purchases and leasehold improvements for additional restaurants, as well as to augment the company's working capital.

Jerrico preparing to offer $40M of convertible long-term bonds

LEXINGTON, Ky.—Jerrico Inc. has filed with the Securities and Exchange Commission a Shelf Registration Statement for up to $40 million of convertible long-term bonds. The subordinated interest-bearing debentures will be offered, on terms yet to be determined, through a national underwriting syndicate represented by Lehman Brothers Kuhn Loeb Inc.

The proceeds from the sale will be used for general corporate use and to provide flexibility for expansion of the company's restaurant business, a spokesman said.

Saga shows 33% net

MENLO PARK, Calif.—Saga Corp. achieved a 33% net profit rise to $2.8 million for its first quarter ended Sept. 25, compared with $2.1 million in the same period last year. The percentage increase was incorrectly reported as 6% on these pages Nov. 8.

Castle & Cook slips on $63M loss

HONOLULU—Castle & Cook, a major food-service supplier well known for its interests in the banana business, reported a $63 million net loss for its first fiscal quarter ended Oct. 9.

The company attributed $30 million of the red ink to problems in its banana, pineapple and tuna fish operations. To make the banana operations profitable, Castle & Cook said, it was restructuring the business and taking a $56 million write-off.

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